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**FISCAL IMPACT STATEMENT**

**LS 6328**

**BILL NUMBER: SB 278**

**NOTE PREPARED:** Dec 31, 2004

**BILL AMENDED:**

**SUBJECT:** Riverboat Revenue from Development Agreements.

**FIRST AUTHOR:** Sen. Meeks

**BILL STATUS:** As Introduced

**FIRST SPONSOR:**

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** Local

**Summary of Legislation:** The bill specifies requirements for the handling of money received under a development agreement between the licensed owner of a riverboat and a political subdivision.

**Effective Date:** July 1, 2005.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:** The bill establishes requirements for budgeting and spending revenue from development agreements between local units and riverboat casino owners. These requirements are consistent with current law budgeting and spending requirements for local units relating to revenue from the Riverboat Admission Tax and the Riverboat Wagering Tax.

The bill requires local units that receive revenue under a riverboat development agreement to prepare an estimate of the amount of revenue to be received during the budget year consistent with estimates that must be completed for other revenues. The bill also specifies bookkeeping requirements to account for receipts from development agreements. The bill specifies that revenue from a riverboat development agreement is miscellaneous revenue, and that it may be used for any legal or corporate purpose of the local unit, including pledging the revenue to bonds, leases, or other obligations. The bill also prohibits local units from using

riverboat development agreement revenue to reduce the maximum levy, but authorizes its use to reduce the property tax levy for a particular year.

**State Agencies Affected:**

**Local Agencies Affected:** Local units receiving revenue from riverboat development agreements.

**Information Sources:**

**Fiscal Analyst:** Jim Landers, 317-232-9869.